

REPEALING THE ACT OF AUGUST 7, 1939 (53 STAT. 1243;  
48 U. S. C., SEC. 353)

JUNE 13, 1951.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

Mr. REDDEN, from the Committee on Interior and Insular Affairs,  
submitted the following

REPORT

[To accompany H. R. 3100]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H. R. 3100) to repeal the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353), having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 1, add the following new sections:

SEC. 2. Section 1 of the Act of March 4, 1915 (38 Stat. 1214, 1215) as amended (48 U. S. C., 1946 ed., sec. 353) is hereby amended by striking out the following language in the last proviso of that section:

"if any of said sections, or any part thereof, shall be of known mineral character at the date of acceptance of survey thereof, the reservation herein made shall not be effective or applicable, but the entire proceeds or income derived by the United States from such sections sixteen and thirty-six and such section thirty-three in each township in the Tanana Valley area hereinbefore described, and the minerals therein, together with"

SEC. 3. Section 1 of the Act of March 4, 1915 (38 Stat. 1214, 1215) as amended (48 U. S. C., 1946 ed., sec. 353) is further amended by adding the following language at the end of the section:

"Nothing in this Act shall affect any lands included within the limits of existing reservations of or by the United States, or lands subject to or included in any valid application, claim, or right initiated or held under any laws of the United States unless and until such reservation, application, claim, or right is extinguished, relinquished, or canceled.

EXPLANATION OF THE BILL

This bill, as introduced, would repeal the act of August 7, 1939, which opened the reserved school lands in the Territory of Alaska to location under the mining laws of the United States. No expenditure of Federal funds is required.

The act of March 4, 1915 (38 Stat. 1214, 1215, 48 U. S. C. sec. 353), established a school reserve for the Territory of Alaska, consisting of certain sections of land in each township. The 1915 act authorized the school reserve lands to be leased by the Territory. The 1915 act was interpreted, however, as not authorizing the sale of timber or the extraction of minerals. Therefore, the 1939 act was passed to allow the disposal of such timber and minerals, the proceeds of which were to go to the Territorial school fund. Recently, mining locations for gravel were made on a school reserve section near Anchorage. It was then realized that instead of the Territorial school fund getting the benefit of the value of this section, it would all accrue to the locator of the mining claim except for the small amount realized if he were to apply for a mining patent.

While the repeal of the 1939 act would prevent the location of mining claims and the depletion of the Territorial school fund, at the same time, it would not, because of other existing law, prevent the utilization of the timber and other resources on the land for the benefit of the Territorial schools. The materials act of July 31, 1947 (43 U. S. C., sec. 1185 et seq.) provides for the disposal of timber, sand, stone and gravel, and other materials from land on the public domain and from lands reserved from the public domain. By the act of August 31, 1950 (Public Law 744, 81st Cong., 64 Stat. 571), the proceeds received from the disposition of materials from school section lands in Alaska are set apart as separate and permanent funds in the Territorial treasury as provided for other income derived from such lands under the 1915 act.

The amendments adopted by the committee would eliminate from the act of March 4, 1915, *supra*, the exception which excludes from the reserve lands of known mineral character. This is in line with the more generous provisions applicable to the school land grants made to the States since the enactment of the act of January 25, 1927 (44 Stat. 226), as amended (43 U. S. C., sec. 817 et seq.). It also would make it impossible for any one to stake mining locations on school-reserve sections in Alaska on the ground that they were mineral in character, and therefore not part of the school reserve. The proposed section 3 which would be added to H. R. 3100 would merely serve to exclude from the grant as did the 1927 act, lands subject to other reservations or valid existing rights.

The report of the Department of the Interior on this bill approves the bill and suggests the amendment adopted by the committee. The report of the Department is set forth below in full:

DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington, D. C., May 17, 1951.

HON. JOHN R. MURDOCK,  
*Chairman, Committee on Interior and Insular Affairs,  
House of Representatives, Washington, D. C.*

MY DEAR MR. MURDOCK: This is in reply to the request of your committee for a report on H. R. 3100, a bill to repeal the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353).

I recommend the enactment of this bill, but suggest certain amendments.

This bill is urgently needed to protect the interest of the Territory of Alaska in the proceeds from lands reserved from sale or settlement for the benefit of Territorial schools under the act of March 4, 1915 (38 Stat. 1214, 1215, 48 U. S. C., 1946 ed., sec. 353). The 1915 act reserves from disposition specified sections of public domain lands not known to be mineral in character at the time of their

survey, and provides that the proceeds derived by the United States from the reserved lands are set apart as permanent funds in the Territorial treasury, the income of which is to be expended only for the exclusive use and benefit of Territorial schools, as the Alaska Legislature may direct.

The 1915 act was amended, however, by the act of August 7, 1939 (53 Stat. 1243), to subject the lands reserved under the 1915 act to disposition under the mining and mineral leasing laws of the United States and to authorize the sale of timber on those lands under the act of May 14, 1893 (30 Stat. 409, 414). The purpose of the 1939 act was "to provide authority for the sale of the timber and mineral products from such reserved sections" (H. Rept. No. 941, to accompany H. R. 3025, 76th Cong. 1st sess., June 26, 1939). Even though the 1939 act made possible greater utilization of the lands reserved for the Territory and therefore generally promoted the basic purpose of the 1915 act to secure revenue for the support of the Territorial schools, the 1939 act inadvertently opened the way for complete obstruction of the purposes of these two acts by permitting disposal of title to these lands under the United States mining laws. The Territorial school fund would receive little or no income from such disposals.

Legislation such as H. R. 3100 to repeal the 1939 act and prevent the location of mining claims on lands reserved for the benefit of Territorial schools is now urgently needed. Private individuals have recently been very active in staking mining claims on school section lands like those located on valuable tracts of lands on section 16, T. 3 N., R. 3 W., S. M. near Anchorage, Alaska.

The repeal of the 1939 act would not prevent the disposal of materials on lands reserved for the benefit of the Territorial schools, because of the Materials Act of July 31, 1947 (43 U. S. C., 1946 ed., suppl. III, sec. 1185 et seq.). Under the recent amendment of the Materials Act by the act of August 31, 1950 (64 Stat. 571, Public Law 744, 81st Cong.) the proceeds received from the disposition of materials from school section lands in Alaska are set apart as separate and permanent funds in the Territorial treasury as provided for other income derived from such lands under the 1915 act.

To prevent entirely the staking of mining locations on the sections specified in the 1915 act because of possible doubt as to whether the lands were known to have been mineral in character at time of acceptance of the plat of survey, and also to bring the provisions of the 1915 act more nearly in line with more generous provisions applicable to the States ever since the enactment of the act of January 25, 1927 (44 Stat. 1026), as amended (43 U. S. C., 1946 ed., sec. 870 et seq.), it is recommended that the exemption of mineral lands from the 1915 act be deleted. This could be accomplished by adding the following sections to H. R. 3100:

"Sec. 2. Section 1 of the act of March 4, 1915 (38 Stat. 1214, 1215), as amended (43 U. S. C., 1946 ed., sec. 353) is hereby amended by striking out the following language in the last proviso of that section:

"if any of said sections, or any part thereof, shall be of known mineral character at the date of acceptance of survey thereof, the reservation herein made shall not be effective or applicable, but the entire proceeds or income derived by the United States from such sections sixteen and thirty-six and such section thirty-three in each township in the Tanana Valley area hereinbefore described, and the minerals therein, together with."

"Sec. 3. Nothing in this Act shall affect any lands included within the limits of existing reservations of or by the United States, or lands subject to or included in any valid application, claim, or right initiated or held under any laws of the United States unless and until such reservation, application, claim, or right is extinguished, relinquished, or canceled."

Since I understand that your committee desires to hold an immediate hearing on H. R. 3100, this report has not been submitted to the Bureau of the Budget. Consequently, I am unable to advise you at present concerning the relationship of the views expressed herein to the program of the President.

Sincerely yours,

MASTIN G. WHITE,  
Acting Assistant Secretary of the Interior.

#### CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as amended, are shown as follows (existing law proposed to be omitted

is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 1 OF THE ACT OF MARCH 4, 1915 (38 STAT. 1214, 1215) AS AMENDED  
(48 U. S. C., 1946 Ed., SEC. 353) (53 STAT. 1243)

When the public lands of the Territory of Alaska are surveyed, under direction of the Government of the United States, sections numbered sixteen and thirty-six in each township in said Territory shall be, and the same are hereby, reserved from sale or settlement for the support of common schools in the Territory of Alaska; and section thirty-three in each township in the Tanana Valley between parallels sixty-four and sixty-five north latitude and between the one hundred and forty-fifth and the one hundred and fifty-second degrees of west longitude (meridian of Greenwich) shall be, and the same is hereby, reserved from sale or settlement for the support of a Territorial agricultural college and school of mines when established by the Legislature of Alaska upon the tract granted in section two of this Act: *Provided*, That where settlement with a view to homestead entry has been made upon any part of the sections reserved hereby before the survey thereof in the field, or where the same may have been sold or otherwise appropriated by or under the authority of any Act of Congress, or are wanting or fractional in quantity, other lands may be designated and reserved in lieu thereof in the manner provided by the Act of Congress of February twenty-eighth, eighteen hundred and ninety-one (Twenty-sixth Statutes, page seven hundred and ninety-one): *Provided further*, That the Territory may, by general law, provide for leasing said land in area not to exceed one section to any one person, association, or corporation for not longer than ten years at any one time: *And provided further*, That [if any of said sections, or any part thereof, shall be of known mineral character at the date of acceptance of survey thereof, the reservation herein made shall not be effective or applicable, but the entire proceeds or income derived by the United States from such sections sixteen and thirty-six and such section thirty-three in each township in the Tanana Valley area hereinbefore described, and the minerals therein, together with] the entire proceeds or income derived from said reserved lands, are hereby appropriated and set apart as separate and permanent funds in the Territorial treasury, to be invested and the income from which shall be expended only for the exclusive use and benefit of the public schools of Alaska or of the agricultural college and school of mines, respectively, in such manner as the Legislature of Alaska may by law direct.

[Timber on the reserved lands may be sold by the Secretary of the Interior under the provisions of section 11 of the Act of Congress approved May 14, 1898 (30 Stat. 409-414), and such lands and the minerals therein shall be subject to disposition under the mining and mineral leasing laws of the United States, upon conditions providing for compensation to any Territorial lessee for any resulting damages to crops or improvements on such lands, but the entire proceeds or income derived by the United States from such sale of timber and disposition of the lands or the minerals therein are hereby appropriated and set apart as permanent funds in the Territorial treasury, to be invested and the income expended for the same purposes and in the manner hereinbefore provided for. Any leases issued by the Territory after a valid appropriation of such reserved lands under the mining laws or the mineral leasing laws of the United States shall be with due regard to the rights of the mineral claimant.]

[The Secretary of the Interior is hereby authorized to make all necessary rules and regulations in harmony with the provisions and purposes of this Act for the purpose of carrying the same into effect.]

*Nothing in this Act shall affect any lands included within the limits of existing reservations of or by the United States, or lands subject to or included in any valid application, claim, or right initiated or held under any laws of the United States unless and until such reservation, application, claim, or right is extinguished, relinquished, or canceled.*

The committee is of the unanimous opinion that the bill as amended should be enacted.